

LMI ADVISORY GROUP
Thursday March 18, 2004
Meeting Minutes

PLEASE SEND ANY CORRECTIONS TO
BONNIE GRAYBILL BY MAY 14, 2004, THANKS.

Attendees:

- Nelson Anthoine, Private Industry Council North Central Counties
- Daniel Blake, California State University, Northridge
- Alicia Bugarin, California Research Bureau
- Peter Cooper, California Federation of Labor
- Doug Gray, Gray Business Services
- Marla Harper, EDD Job Service Division
- Warren Jensen, California State University Chico, Center for Economic Development
- Greg Marutani, Private Industry Council of San Francisco
- Jerry Nolan, EDD Information Technology Branch
- Beverly Odom, California Workforce Investment Board
- Don Perry, California Labor Agency
- Dennis Reid, Department of Labor, Bureau of Labor Statistics
- Joanne Severson, Bureau for Private Postsecondary Education Commission
- Nancy Treadwell, Department of Labor, Bureau of Labor Statistics
- Chuck Wiseley, California Community Colleges Chancellor's Office

Labor Market Information Division Attendees

Nancy Gemignani	Richard Kihlthau
Bonnie Graybill	Jeff Koller
Phil Hardiman	Janet Peters
Carl Hedlind	Scott Slotterbeck
Richard Holden	Tim Taormina
Brendan Kelly	Paul Wessen

Recorder: Laura Coleman and Janyce Wong

Facilitator: Bonnie Graybill

Welcome:

Bonnie Graybill welcomed all the members present, as did Richard Holden. The attendees introduced themselves.

Review of September 18, 2003 minutes:

No comments or changes were suggested.

Update of the changes on the agenda: The LMID Services/Budget Update (Item 9 on the agenda) was pushed to later in the day, due to changes in Richard Holden's schedule.

Agenda Topics

CCOIS Follow Up

Brendan Kelly, Labor Market Information Division

Brendan Kelly provided a summary follow up of CCOIS' program, as previously discussed in the last LMI Advisory Group meeting (see minutes from September 18, 2003 for additional detail). Brendan laid out part of CCOIS' recovery plan, which includes developing 50 occupational profiles each year with delivery via the Internet only. There is no prototype for the program as

yet, but the group anticipates providing local occupational information with limited employer surveys to supplement other information collected by LMID.

Comments:

- Beverly Odom: Will these profiles be supplemented with local information?
- Brendan Kelly: Yes, primarily through limited surveys, which will be especially helpful in gathering data on job benefits, job demand, education and training.
- Beverly Odom: What about community meetings or soliciting local intermediary feedback?
- Brendan Kelly: Our plan is to identify 25 core occupations across the state. From there, we plan to solicit help from LWIBs to identify an additional 25 occupations critical at the local level and across the state.
- Chuck Wisely: What about emerging occupations? Will the LWIBs be the only source for that information? What about community colleges? Where do you plan to go for that?
- Brendan Kelly: At this point, emerging occupations would have to be addressed in a special report (if they have no OES/SOC code). It would be in a different format, a separate report or a special request.
- Nelson Anthoine: Other than the surveys, will there be other sources of information?
- Brendan Kelly: We'll be using existing data sources like OES wages, etc., in addition to the surveys.
- Nelson Anthoine: What about the Economic Strategy Panel Regions? How will you generate data at the county level?
- Brendan Kelly: A lot of those needs (for county level data) will be met by the new Workforce Informer Web site. I believe the site will have the capability to extract custom data. Also, we will have to wait and see what kind of future spin-off product lines are possible from our redesigned CCOIS program.
- Nelson Anthoine: I am concerned with some of the elements used, particularly the employment projections, which in my estimate were too low in our area; download limitations due to the size of the files, in respect to usability by students in computer labs; and I'd like to see more standardization in format.
- Brendan Kelly: We're losing a tremendous resource in losing funding to local areas. Because of that, we're looking at our redesigned questionnaire as our source for key areas of gathering information.
- Greg Marutani: Please keep in mind that your products most likely will be printed in black and white as that is what most One-Stops do. Graphs and charts do not print well in black and white, if originally formatted in color.
- Additionally, a number of local partners contribute additional investments to the CCOIS programs, funds from other sources. Has there been any outreach to these sources to find out if they are still willing to fund projects? How does that affect CCOIS' plans?
- Brendan Kelly: There are a few sites that have indicated they want to continue. We are encouraging collaborative efforts outside the CCOIS new model. Perhaps incorporating their needs into other projects with other LMID staff—those kinds of ad hoc efforts will continue in LMID; however, the new CCOIS system will take all of the CCOIS group's attention.
- Greg Marutani: So you are saying that money should be directed to other LMID groups?
- Brendan Kelly: Yes, essentially, for other occupational special projects.

Nelson Anthoine: I know the UI Code used to state CCOIS' efforts were, by law, required to include collaboration with state and local resources. Has that been changed?

Brendan Kelly: Yes. When we lost our funding, the law was changed to reflect local contributions as optional, rather than required.

Local Employment Dynamics Update

Phil Hardiman, Labor Market Information Division

Phil Hardiman gave a presentation on the Longitudinal Employer-Household Dynamics (LEHD) program, also referred to as Local Employment Dynamics (LED). The LED is an Employment and Training Administration (ETA) partnership with states and the Census Bureau to establish a new source for labor market information. The LED has compiled a data matching system that manipulates data from EDD sources, the Social Security Administration (SSA), and the Internal Revenue Service (IRS). Data can be extracted using twenty-nine quarterly workforce indicators, covering timing (year, quarter), business activity (such as industry classifications), geography (state, county, WIB, and MSA-level), and demography (gender, age groups). Current California projects involving the LED include a report on the Aging of the California Workforce and Employment in the Entertainment Industry. LED has multiple national uses, as well as being a resource for state transportation planning. Phil walked the Advisory Group through a tour of the LED Web site to demonstrate how rich this new data source is for the State, counties, WIBs and MSAs. (Note: lehd.dsd.census.gov is the correct Web address. The address in the handouts was incorrect) Access via the Internet is limited to certain indicators; however, special data requests can be forwarded to LEHD or LMID upon approval.

Comments:

Greg Marutani: This is population data?

Phil Hardiman: No, private industry employment data as covered by UI.

Greg Marutani: Would military employment be included here?

Phil Hardiman: I believe that would fall under federal government, so no—this is private sector.

Bonnie Graybill: This data is raw, but there. We are in the process of adding links and analysis of what this is to our Web sites to help our customers understand its uses.

Tim Taormina: This opens up a whole new world of data—partnering with Census.

Greg Marutani: Sure. But what needs to be put into context are the economic factors influencing the data during those years, which may not be readily available.

Bonnie Graybill: Definitely, more analysis is needed.

Phil Hardiman: We should have something for you via the Internet by mid-year.

Chuck Wiseley: In reference to the Entertainment Industry charts, I notice Distribution doesn't vary much.

Phil Hardiman: This chart doesn't show the detail, but a closer look would show more variation.

Peter Cooper: Is this project being done in conjunction with the State Film Commission?

Phil Hardiman: No, but we have shared our information with them.

Dennis Reid: Coding changes also affect these data.

Phil Hardiman: Yes, thanks.

Greg Marutani: All this is available on the Web site?

Phil Hardiman: Well, the Web site is limited to seven indicators, but that is still a lot of data.

Don Perry: Does this in any way take into account non-wage data, like benefits? Those types of costs are surging for employers, and are part of the reason many businesses are in a no-hire situation.

Phil Hardiman: No, this data does not include those elements.

Rich Kihlthau: Wage record is the only available data right now.

Dan Blake: And it is available for different designated areas of development?

Rich Kihlthau: It is available by state, county, MSA, and LWIB. It is also possible, on a quarterly basis, to send a request to Census and have them pull it out by census tracts.

Chuck Wiseley: Does this mean you have broken down the barrier of location of the worker, versus location of the establishment?

Rich Kihlthau: Not exactly, the residence address is modeled to the establishment location.

Greg Marutani: One of the handouts references training sessions. Would those (training) workshops be less technical than those provided to state government staff? (Directed to customers or technical users?)

Phil Hardiman: I think we are responsible for disseminating training at that level.

Chuck Wiseley: We have a group that would love to use this.

Tim Taormina: We could facilitate training for you here. Talk to Rich and Phil at the break.

Chuck Wiseley: What is the skill requirement connection? Do you link the education requirements of jobs to the demand stuff you are working with?

Bonnie Graybill: We do have BLS training levels tied to occupational employment projections for SOC occupations.

Short Term Projections

Carl Hedlind, Labor Market Information Division

Carl Hedlind discussed how the Projections Unit has been developing Short Term Projections for California and some of the larger metropolitan statistical areas. Topics covered included the projections process, models used, and level of detail available. Also discussed were the comparability of LMID's short term projections with those produced by other entities, such as UCLA and DOF, as well as the pros and cons of long term projections versus short term projections.

Comments:

Doug Gray: Do you anticipate showing (in the future) your projections versus the actual employment data?

Carl Hedlind: Well, it's always an educated guess, but, yes, that is a good idea—looking back and seeing how accurate our projections were.

Don Perry: That line is definitely below a recovery rate— typically 3 percent; you are forecasting 1 percent growth rate? Have you heard anything recently on that subject? When does the snapback begin?

Bonnie Graybill: Department of Finance commented that our projections are in line with theirs.

Warren Jensen: I think we are seeing more contract workers in this recovery period, which may account for some of the jobs versus employment data.

Nelson Anthoine: Are short-term projections being broken out in regions as well?

Chuck Wiseley: Now that you've done this, will you be expanding to more areas?

Carl Hedlind: We've done some preliminary work with a couple of MSAs, but time and resources will determine what is produced.

Nelson Anthoine: Are you looking at things like population growth in an area or increased construction/property values?

Bonnie Graybill: LMI Area Consultants review and consult on these issues.

Nelson Anthoine: Have you considered getting LWIA feedback?

Carl Hedlind: We've tried that through the Area consultants. The level of involvement varies from area to area.

Nelson Anthoine: I think recent changes will reflect an increased involvement of LWIA staff and local entities for business development.

Chuck Wiseley: Do the lowest training level jobs assume the employee has a high school diploma?

Warren Jensen: Is there a need to split 30-day On-the-Job Training to reflect those jobs that require a diploma and those that do not?

Bonnie Graybill: I don't expect we are going to see that anytime soon, as we use the twelve standard BLS training levels.

Don Perry: Given the type of job involved, the employer may simply not care whether someone has a high school diploma.

Tim Taormina: It is really about employer discretion.

Joanne Severson: It's a matter of interpersonal skills versus high school experience, and in most cases, having a diploma won't matter most to the employer.

Chuck Wiseley: Do you track these short term projections with the long term and see how they measure up?

Nelson Anthoine: Is it possible to go with a different time series, say a five-year span, instead of the long term seven years or the short term two years?

Bonnie Graybill: We're required to do both short and long term projections, defined by these time periods, by the ETA as a condition of the Workforce Information Grant.

Doug Gray: Who gets the wealth of this data?

Bonnie Graybill: Our marketing and e-newsletter distribution reaches over 8,000 customers (subscribers), so we are trying to reach as large a population as possible.

Tim Taormina: Our efforts right now are on the program requirements. Our money goes there first.

Don Perry: Are there federal funding requirements as to why you are developing short term?

Bonnie Graybill: We are required by ETA to do short term projections. Typically different customer groups have different needs. Those with the most immediate needs, job seekers and workforce developers, are the targets of this data.

Warren Jensen: I know real estate professionals are really interested in these types of data.

Chuck Wiseley: LMID's local Labor Market consultants with whom our staff work with are always readily available and very familiar with, interested in these data.

Don Perry: EDD representatives are consistently going to local forums.

Beverly Odom: Projections are also used to support training funding decisions.

Beverly Odom: Perhaps you could attach wages to the top ten occupations? That would be helpful.

Chuck Wiseley: Wages would be helpful here.

Don Perry: Tech occupations are still in the top ten. One reason is that companies are adding people to their tech support, etc., for security reasons.

Dan Blake: Fastest growing occupations always have a large number of separations. Perhaps you could link to an explanation of separations for the layperson.

Carl Hedlind: We get the separation rate from BLS. People leaving an occupation for any reason are what accounts for separations.

Nelson Anthoine: MSAs are reconfigured every 10 years?

Dennis Reid: A minor tweaking is done annually.

Chuck Wiseley: I'd prefer long term over short term projections, if given the choice, at the county level. It takes several years to plan and implement new curriculum.

Bonnie Graybill: We understand. With the addition of the short term projections, we are trying to please a wide range of customers.

Nelson Anthoine: Is it possible to get more information on the models used?

Bonnie Graybill: I'll send you a link to the method.

Carl Hedlind: Talk to anyone on our staff, they'd be happy to give you a tour of the process.

(Break for lunch)

Economic Update

Paul Wesson, Labor Market Information Division

Paul Wesson of LMID gave an economic update presentation. As of February 2004, the U.S. Economy is in its 27th month of recovery. The U.S. economy continues to gather strength – Gross Domestic Product grew over 6 percent over the last half of 2003. He discussed recent developments in California's labor markets such as the Labor Force Employment, Nonfarm Employment, Industry Trends, and California Area Trends. The Committee had questions about population growth, military duties overseas, and offshoring impact on productivity. A copy of the presentation is available on the CALMIS Web site.

Research in Biotechnology

Scott Slotterbeck, Labor Market Information Division

Scott Slotterbeck gave a presentation on occupations in the Biotechnology industry. He discussed biotechnology occupations and the biotechnology industry and how a variety of jobs cross several industries. He handed out a draft copy of the biotechnology career guide for Manufacturing Technician, one of 35 which will be part of the report on the industry. The Committee had questions on salaries for biotechnology occupations, projections and how industries distinguish job classifications.

Workforce Informer

Nancy Gemignani, Labor Market Information Division

Nancy Gemignani, Webmaster at LMID, gave an overview of the California Workforce Informer Web site to be called LaborMarketInfo. This Web site is still in the development stages. Nancy

explained that the current Web site CALMIS will be going through a transition period for the next few months to transfer data to the Workforce Informer. Nancy demonstrated how to use the site and set up a personal page for future reference. There will be a link from CALMIS to Workforce Informer. Currently, there are nine other States whose versions of the Workforce Informer application are online. The Committee had questions on who is funding this Web site, annual costs, and how long CALMIS will continue.

CIPSEA Alert – Confidential Information Protection And Statistical Efficiency Act

Jeff Koller, Labor Market Information Division

Jeff Koller gave a brief overview of confidential issues under the federal Confidential Information Protection and Statistical Efficiency Act (CIPSEA). The Bureau of Labor Statistics (BLS) has been conducting its review of the implications of CIPSEA for its various programs. Through this review, it has been determined that information collected exclusively for statistical purposes under a pledge of confidentiality as part of their Current Employment Statistics (CES) and Occupational Employment Statistics (OES) surveys have been intermingled in BLS and State ES-202 files. The BLS intends to maintain the maximum level of flexibility with regard to the uses of this data while ensuring that all data-sharing activities are compliant with CIPSEA. BLS is requesting that States provide lists of all existing formal and informal data-sharing agreements. Currently, all confidential data releases are on hold while BLS reviews the pending requests. LMID is processing new requests but cannot approve these requests without final BLS ok. Waiting for direction from BLS.

LMID Services/Budget Update

Richard Holden, Labor Market Information Division

Division Chief Richard Holden gave an update on EDD budget.

- EDD does not plan layoffs, but does have funding shortfalls in several programs.
- LMID lost some funding for the Mass Layoff Statistics program, a BLS program.
- LMI Workforce Information Grant – reduced funds and uncertainty for future years
- Plan is to adjust staffing levels in the Department through transfers, retirements, and redirections
- Match people to programs with funding to equalize funding/staffing imbalances
- Budget hearing next week
- Core programs – ES 202, CES and OES – are still intact, funded by BLS
- Will be going through a period of adjustment
- Expect changes to continue until funding is sorted out.

LMID's plans – Support job and economic development. Looking at areas to improve, formulate for the coming year. Using Area Consultants to reach out to the community to assist in marketing efforts of LMI.

The Committee had questions on:

How we are marketing Workforce Informer?

How is LMI helpful to jobs since LMI is research and data collecting?

Who is going to track system to see if it works (for instance, job listings)?

How is LMID going to capture who is using the Workforce Informer?

“Need to market that mousetrap.”

How about customer survey pop-up screens to find out if they are first time users and what type of users?

Need more Marketing Strategies.

Reminder – use the California Performance Report Web site to submit comments and suggestions to the Governor's Office

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Presentations	Make Presentations available electronically
Great Topics – Timely	
Full Agenda	
Parking	
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Lunch in	
Reception Desk	

At the request of the Advisory Group members, LMID is now posting meeting handouts on the Web along with the minutes at www.calmis.ca.gov/file/Advisory-Group/Advisory-Group.htm

Next Meeting: September 23, 2004

Agenda:

- Labor Market Info Web site update, demo
- Economic Update
- Budget Update – LMI and related
- Occupational Information
- CWIB Update
- Changes to WIA
- Invite EDD Director

MEETING ADJOURNED AT 4:00